05-001-4059

STATE OF FLORIDA

Office of the Governor

THE CAPITOL
TALLAHASSEE, FLORIDA 32399-0001

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850-488-7146
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JEB BUSH
GOVERNOR

September 20, 2005

The Honorable Carlos M. Gutierrez
Secretary
U.S. Department of Commerce
14th Street & Constitution Avenue, N.W.
Room 5516
Washington, D.C. 20230

Dear Secretary Gutierrez:

Thank you for the active participation of the National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service in examining the effects of Hurricane Katrina.

It is vitally important to track the floodwaters being pumped out of New Orleans into the Gulf of Mexico to determine if they pose a risk to Florida's population, environment, and seafood industry. The Florida Fish and Wildlife Conservation Commission and Department of Environmental Protection are already working with your agencies to evaluate any potential damage to our fisheries, and they will continue collaborative efforts in monitoring and sampling the shared water off our coast.

In this endeavor, the State of Florida will depend on NOAA to provide the necessary support in defining and predicting the potential impact of the Katrina floodwaters. We ask for help in identifying possible avenues for assistance, from active participation of NOAA vessels and scientists to financial support for Florida's agencies and universities that monitor these waters.

Florida's economy and quality of life depend on a clean and healthy environment. Protecting our water quality is a priority for our citizens and my administration. We look forward to working with the Department of Commerce to ensure that our waters and fisheries remain safe in the aftermath of Hurricane Katrina.

Thank you for your assistance.

Sincerely,

Jeb Bush

cc: Stephen L. Johnson, Administrator, United States Environmental Protection Agency
Charles Bronson, Commissioner, Florida Department of Agriculture & Consumer Services
Colleen Castille, Secretary, Florida Department of Environmental Protection
William Hogarth, Ph.D., Assistant Administrator, Department of Commerce, NOAA Fisheries
Roy Crabtree, Ph.D., Regional Administrator, National Marine Fisheries Service
Ken Haddad, Executive Director, Florida Fish & Wildlife Conservation Commission

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Mr. Stephen L. Johnson
United States Environmental Protection
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Ariel Rios Building
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

06-000-7080

Stephanie

Please read

JEB BUSH
GOVERNOR

STATE OF FLORIDA

Office of the Governor

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Was anyone bcc'ed this in?

April 12, 2006

The Honorable George W. Bush
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20502

Dear President Bush:

A confluence of events has created a window of opportunity that merges our foreign relations, economic and environmental interests. The United States has a seminal opportunity to implement an energy policy that strengthens our national security, stimulates economic development, increases protection for our sensitive natural resources and promotes free trade within our hemisphere.

Attached is a position paper recommending that the United States set an ambitious goal of consuming 15 billion gallons of ethanol annually by the year 2015 ("15 by '15). To accomplish this ambitious goal, the United States will need to increase the domestic supply as well as promote importation of ethanol from our neighbors in the hemisphere. Ethanol made from sugar in countries in the Americas is less expensive, takes less energy to produce and has a tremendous potential for growth in production.

This is an ideal time to consider negotiating ethanol imports with Brazil and our other hemispheric neighbors that can produce ethanol. Such actions could reduce our dependence on foreign oil, improve the environment and jumpstart our negotiations with Brazil and other hemispheric neighbors on the Free Trade Area of the Americas. Because of the importance of this issue, I urge you to consider options to negotiate agricultural trade issues outside of the process established by the World Trade Organization. In light of the challenges we face in meeting the growing demand for fuel, I believe we should reconsider the U.S. policy that taxes ethanol energy imports into the U.S. from Brazil and other countries while allowing tax-free oil energy imports into the U.S. from Venezuela and other countries.

While the position paper focuses primarily on "15 by '15 in the United States, a broader win-win recommendation is that our Western Hemisphere partners join us in this effort of creating an Americas-wide ethanol free trade initiative from Alaska to Tierra del Fuego that will lead to hemisphere-wide increases in ethanol production and consumption. The State of Florida stands ready to be of assistance to you and your Cabinet in implementing a comprehensive ethanol strategy for our country and our hemisphere.

Sincerely,

Jeb Bush

cc: Secretary of Energy Samuel W. Bodman
Secretary of Commerce Carlos M. Gutierrez
Secretary of Agriculture Mike Johanns
EPA Administrator Stephen Johnson
Secretary of Transportation Norman Mineta
U.S. Trade Representative Rob Portman
Secretary of State Condoleezza Rice
Chief of Staff Joshua Bolten

Position Paper

American Energy Security through Diversification:

A Hemispheric Wide Approach to Ethanol

April 11, 2006

America is the number one consumer and importer of oil in the world.[1] Transportation fuel now accounts for more than 68 percent of all U.S. oil consumption. Gasoline and diesel accounted for about 98 percent of the transportation fuel sold in 2004. U.S. motorists' demand for gasoline is now approaching 380 million gallons a day or approximately 140 billion gallons annually.

Diversifying the nation's fuel portfolio is essential for our national security and our economy. Introducing alternative fuels, especially cleaner ones that are produced domestically, can reduce our dependence on foreign oil, spur innovation and economic growth, and increase protection for our natural resources. Increasing the use, production and importation of ethanol blended gasoline is a practical and expedient measure to achieve these complementary goals.

In 2005, the U.S. produced 4.3 billion gallons of ethanol, largely derived from corn. The Energy Policy Act of 2005 established a Renewable Fuels Standard (RFS), which requires that at least 7.5 billion gallons of renewable fuel is blended into the nation's fuel supply annually by 2012. The measure promotes stable demand for renewable fuels such as ethanol as well as offers refiners the flexibility to blend ethanol more efficiently in parts of the country where it makes sense economically and environmentally.

Given the importance of energy to our economy and our national security, the U.S. should raise the bar even further. The U.S. should establish a bold plan to pump 15 billion gallons of ethanol fuel annually into the marketplace by 2015 ("15 by '15") – nearly 10 percent of current national demand for gasoline and double the current goal in three additional years. The "15 by 15" Plan would benefit our national security, our economy and our environment. It can also serve as the catalyst for free trade in the Western Hemisphere. To meet the goal of "15 by '15", America must expand existing domestic production, create new domestic production and increase importation of international supplies of ethanol.

[1] http://www.eia.doe.gov/oil_gas/petroleum/info_glance/petroleum.html

Ethanol

Ethanol is a biomass fuel produced from a variety of crops, including corn and sugarcane, that makes gasoline burn cleaner and more completely. The goal of "15 by '15" will move the U.S. closer to realizing a ten percent ethanol blend in U.S. vehicles.

Gas blended with ten percent ethanol is called gasohol and can be used in any U.S. car without modifying the engine. Gas blended with 85 percent ethanol is called E85. Vehicles that can run on E85, gasoline, or any mixture of the two are called flexible fuel vehicles (FFVs). FFVs are widely available and include sedans, minivans, sport utility vehicles, and pickup trucks. More than 5 million FFVs have already been sold in the United States, although many of the buyers remain unaware that they have the option to fuel with E85.

Roughly 600 gas stations, out of a total of 200,000 carry E85 pumps, mostly in the Midwest.[3] Many more retail gas stations are carrying ethanol blended fuel of equal to or less than a ten percent blend. These stations incur no significant capital equipment costs to make E10 available. Most Midwestern states are now debating or have already passed legislation that requires gasoline to be mixed with ethanol.

What U.S. Consumers Pay For In a Gallon of Fuel

Price Breakdown: March 2006	100% Gasoline			E10		
	Gallons	$/gallon	$	Gallons	$/gallon	$
Gasoline Used[4]	1.00	1.50	1.50	0.90	1.50	1.35
Ethanol Used[5]	0.00	2.38	0.00	0.10	2.38	0.24
Federal Blenders Tax Credit			0.00	0.10	(0.51)	(0.05)
Retailing Cost/Overhead[6]			0.54			0.54
Federal Excise Taxes[7]			0.18			0.18
State & Local Fuel Taxes (avg)[8]			0.33			0.33
Final Cost[9]			$ 2.55			$ 2.69

NOTE: Spreadsheet compares regular grade gasoline with E10 (gasoline blended with 10 percent ethanol). Costs shown are average for the nation for the last week of March 2006 and tend fluctuate daily.

[2] http://www.eere.energy.gov/afdc/altfuel/eth_market.html
[3] http://en.wikipedia.org/wiki/Ethanol_fuel
[4] Energy Information Agency (EIA, March 2006) @ http://tonto.eia.doe.gov/oog/info/gdu/gasdiesel.asp
[5] Ethanol Rack Price (Iowa, March 2006) @ http://www.ethanolmarket.com/fuelethanol.html
[6] Energy Information Agency (EIA, March 2006) @ http://tonto.eia.doe.gov/oog/info/gdu/gasdiesel.asp
[7] Based on EIA data and American Petroleum Institute @ http://api-ec.api.org/industry/index.cfm?bitmask=001004003000000000#
[8] Based on EIA data and American Petroleum Institute @ http://api-ec.api.org/industry/index.cfm?bitmask=001004003000000000#
[9] E10 Rack Price (Iowa, March 2006) @ http://www.ethanolmarket.com/fuelethanol.html

Benefits to National Security

America is the number one importer of oil. The U.S. imports 4.9 billion barrels, nearly 66 percent, of its crude oil. 838 million barrels, or 17 percent, is imported from the Persian Gulf and 549 million barrels, or 11 percent, from Venezuela.[10]

Blending crude oil with ethanol can stretch our fuel supply and reduce our vulnerability to potential conflict and instability that might disrupt imports from these nations.

U.S. Imports of Oil by Country of Origin[11]

Country	2005 Import Volume (Thousand Barrels)
All Countries	**4,937,359**
OPEC	**2,010,346**
Algeria	174,051
Iraq	190,404
Nigeria	418,778
Saudi Arabia	556,006
Venezuela	549,535
Other OPEC Countries	121,572
Non OPEC	**2,927,013**
Angola	169,891
Canada	792,691
Ecuador	102,915
Mexico	600,676
Russia	145,411
United Kingdom	141,146
Virgin Islands	119,118
Other Non-OPEC Countries	855,165

Economic Benefits

Ethanol production can serve as an economic engine for rural communities with agricultural-based economies. An average-sized ethanol plant employs about 40 people with good-paying, high-skill jobs and provides spin-off jobs through local providers of goods and services for the plant.

[10] http://tonto.eia.doe.gov/dnav/pet/pet_move_impcus_a2_nus_ep00_im0_mbbl_a.htm
[11] http://tonto.eia.doe.gov/dnav/pet/pet_move_impcus_a2_nus_ep00_im0_mbbl_m.htm

There are nearly 100 fuel grade ethanol plants throughout the country, mostly in the Midwest. The country's largest ethanol producer, Archer Daniels Midland, has plans to increase production from 1.1 billion gallons a year to about 1.5 billion by 2008 and recently announced that a new plant will be built in Columbus, Nebraska. Farmer owned plants are being planned in at least three sites in Missouri. Beyond the heartland, ethanol plants are now being planned or constructed in California, Arizona, Florida, and Hawaii.

A Convergence of Political Factors Makes "15 by '15" Possible

1. National consensus among policy-makers that reducing dependence on foreign oil is a critical component of our national security.
2. Mass production of many alternative fuels, such as hyrdogen and fuel cell technology, will take many years to bring into the commercial market.
3. America's economy depends on a reliable supply of fuel and our quality of life depends on a clean, healthy environment.
4. High gas prices have underscored the sense of urgency for a short-term solution.
5. The U.S. is awash in "ethanol exuberance."

Increasing Domestic Supply of Ethanol

A combination of factors has created what is being called "ethanol exuberance" that is galvanizing farmers, investors, politicians and economic developers throughout the heartland of the U.S to push for intensified production of corn ethanol. However, an excessive reliance on corn-based ethanol may present new supply challenges presented by the growing season and harvesting time of corn.

The National Commission on Energy Policy has stated that non-corn based ethanol "offers substantial energy security, environmental, and long term cost advantages compared to corn based ethanol." It seeks a "suite" of domestically produced transportation fuels that "can collectively help to diminish U.S. vulnerability to high oil prices and oil supply disruptions."[12]

Like fuel diversity, ethanol diversity can ensure a more reliable, sustainable supply of ethanol throughout the nation. Growing different crops, such as sugarcane, switch grass and sorghum, with varying harvest seasons can reduce the impact of disruptions to the energy supply caused by disease, natural

[12] National Commission on Energy Policy, Ending the Energy Stalemate: A Bipartisan Strategy to Meet Americas Energy Challenges (www.energycommission.org), p. 70.

disaster or other events. Utilizing numerous geographic sources to obtain feedstock or its end product, ethanol, also protects the U.S. interests.

Sugar based ethanol has advantages given that thousands of workers and their families throughout the hemisphere depend on it for their well-being. Sugarcane is an efficient production unit: every ton has an energy potential that is equivalent to 1.2 barrels of petroleum. Producing ethanol from sugar requires much less energy than producing ethanol from corn. An efficient corn-ethanol process may produce two or three units of ethanol energy for every one unit of energy put into the process. An efficient sugar-ethanol process produces eight or nine units of ethanol energy for every one unit of energy put into the process.[13]

Diversification of ethanol production may hold promise for the future of Florida's agriculture – the second largest industry in the state. Florida farmers utilize 10.1 million of the state's nearly 35 million acres[14], growing 280 different crops.

The spread of diseases, such as canker and greening, and expanding development are placing growing pressures on Florida's farmers. Providing a viable, economically feasible alternative to food production is an opportunity to strengthen our economy, while maintaining the rural character of vast expanses of our state.

Efforts to bring ethanol to our local fuel pumps are already underway. In Port Manatee, Florida-based Envirofuels is building an ethanol plant to produce 40 million gallons per year in ethanol from 15 million bushels of corn. The plant uses a Flex-Feedstock process that enables them to switch to locally grown crops. The U.S. Department of Agriculture recently awarded a $1.9 million grant to Tampa Bay Area Ethanol Consortium, led by Bartow Ethanol, to test a flexible feedstock process using a combination of crops.

Ethanol Production in Latin America

The U.S. can learn about fuel diversity from experiences with nations around the world, but especially those in our own hemisphere. One notable case is Brazil.

Brazil today is a global leader in ethanol technology, production and distribution. The nation produces approximately 4 billion gallons of ethanol annually. An estimated 30,000 fueling stations throughout the country sell ethanol to motorists.

The genesis of Brazil's embrace of alternative fuels can be traced to the oil embargo of 1973. Brazil's dependency on foreign based energy drove the country's leadership to seek alternatives from within the country itself. During a thirty year process of trial and error the country gradually weaned itself from

[13] Article: http://www.chicagotribune.com/business/chi-0603250014mar25,1,657342,story
[14] http://www.florida-agriculture.com/agfacts.htm

dependence on foreign oil. Hard decisions have been made along the way to promote the industry. The country:

- Requires all gasoline to contain a minimum of 25 percent of anhydrous (no-water content) alcohol;
- Requires all government vehicles to use 100 percent hydrated (with water) alcohol; and
- Prohibits use of diesel fuel in personal vehicles.

In Brazil, sugarcane is used to produce ethanol. On average, 55 percent of sugarcane is turned into alcohol and 45 percent into sugar, although the proportions vary according to price and demand. Biomass from cane produces sugar as a foodstuff, electric energy from bagasse burnt in their boilers, hydrated alcohol as a vehicle fuel and anhydrous alcohol to improve gasoline's energy and environmental performance.

The country's sugar cane based ethanol is the least expensive mass produced ethanol in the hemisphere. Brazil's plants can produce the fuel for nearly $.50 less than the U.S. produces gasoline.[15]

[15] http://www.cbsnews.com/stories/2006/03/29/eveningnews/main1454613.shtml

Typical Feedstock Costs by Country of Origin

Country or Region	Feedstock	Cost Given in U.S. cents/gln
Thailand	Molasses	56
Colombia	Molasses	62
South Africa	Molasses	77
Guatemala	Molasses	81
Brazil (C/S)	Sugar Cane	84
India (Tamil Nadu)	Cassava	100
India (Uttar Pradesh)	Wheat	101
China	Corn	106
Australia	Molasses	108
India (Tamil Nadu)	Molasses	108
Thailand	Cassava	110
Mexico	Molasses	113
India (Maharashtra)	Molasses	113
India (Uttar Pradesh)	Molasses	115
USA	Corn	117
India (Maharashtra)	Wheat	120
Australia	Wheat	123
USA (cane)	Molasses	134
EU	Wheat	142
South Africa	Corn	143
Mexico	Corn	145
EU	Corn	147
China (cane)	Molasses	156
China (beet)	Molasses	162
EU	Molasses	209

Source: LMC International Ltd, 2005
Prices are post-factory
Note: Prices and domestic currencies have been very volatile

Implementing a Hemispheric Strategy

Even increased domestic production, the U.S. will need to look beyond its borders to achieve the ambitious goal of "15 by 15." Unfortunately, the national discussion about energy diversification has been devoid of the progress made by our neighbors in Latin America.

This absence of interest in the Brazil case may be attributed to the flawed idea that "energy independence" translates to "energy autonomy." Essentially, the principle is: *To be safe in the future, the U.S. must go it alone in the development and production of alternative energy fuels. The U.S. can never again be dependent upon other countries for the vital lifeline of economic development.*

A strategy based on this sentiment is flawed. Isolationism is not the answer.

Brazil is the key for the region given its globally prominent position in ethanol. The fora for addressing this opportunity could be unilaterally with Brazil or through a multilateral framework such as the Free Trade Area of the Americas (FTAA) or 4+1 negotiation (Mercosur + the United States). While the current U.S. policy is to negotiate most agriculture issues through Doha, perhaps the FTAA framework may be a good alternative venue for negotiations regarding ethanol.

A regional strategy in the U.S. could be crafted to support market opening to Brazil. This strategy could be based on several assumptions:

1. Corn-based ethanol production is a viable approach to fossil-fuel independence in the Midwest but is less attractive in coastal areas of the US because of distribution and supply line difficulties as well as price volatility engendered by supply issues;
2. There are limits to the amount of corn that can and should be diverted to ethanol production in the short and near term. Given the lag time for significant developments in bio-mass conversion — at least five years, there is a good case for ethanol diversification to include Brazilian cane-based ethanol, the least expensive and most efficient ethanol that is currently being mass produced.

A partnership with the U.S. may well go a long way in Brazil. An agreement would open a significant market in the U.S. for their agricultural products, with prospects for significant job creation in rural areas of the nation produced by guaranteed access to the U.S. fuel market. Given the importance of sugar to the Brazilian economy, as well as the advances in ethanol production and technology that Brazil can share, a window of opportunity for such an agreement is opening.

This opportunity should be aggressively pursued by U.S. and Brazilian decision-makers. A commonality of interests and has the potential to capture the imagination of the country's leadership. Moreover, the U.S. should not allow domestic politics to interfer with the best interest of our nation. It will take a combination of increased U.S. production as well as importation of ethanol to meet the goal of "15 by 15."

As part of the negotiations, the U.S. should consider eliminating the taxes that stifle importation of ethanol, including a duty of 54 cents per gallon on Brazilian cane-based ethanol on top of a 2.5 percent ad valorem tariff.

Furthermore, free trade of ethanol can serve as the catalyst to jump-start the the Free Trade Areas of the Americas process. If the U.S. and Brazil can demonstrate the effectiveness of free trade with ethanol, perhaps the parties to the FTAA will see the value in completeing the negotiations and moving towards a hemisphere engaged in free trade to the benefit of all nations.

In the final analysis, Brazil and the US have a commonality of interests around energy diversification that can be nurtured, expanded and deepened. National interests coincide around the important role that ethanol can play in energy diversification, economic development, and expanded hemispheric trade. Not only can U.S. energy security be enhanced by opening the market to Latin American sugarcane ethanol, but the entire hemisphere can benefit from the wave of investment and expanded production in ethanol.

Leadership at the highest levels will be needed to advance this agenda and make "15 by '15" a reality. There is no time to lose.

EXECUTIVE OFFICE OF THE GOVERNOR
FAX COVER SHEET

DATE: 4/19/2006

PLEASE DELIVER THE FOLLOWING (3) PAGES (INCLUDING COVER SHEET)

TO: **Stephen Johnson, Administrator**

FAX: **202-501-1450**

FROM: **Deirdre Finn**

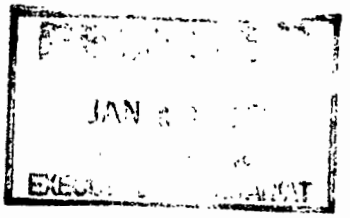
PHONE NUMBER: **(850) 488-5603**
FAX NUMBER: **(850) 922-4292**

Message:

07-000-0658

JEB BUSH
GOVERNOR OF THE STATE OF FLORIDA

December 29, 2006



The Honorable Steve Johnson
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Mr. Johnson:

Earlier this year I submitted a policy recommendation to the President and his Cabinet promoting the goal of incorporating 15 billion gallons of ethanol into the United States' fuel mix by the year 2015. The "15 by 15" initiative discusses achieving this level of annual consumption through expanding existing domestic production, technological advances in ethanol production, and promoting increased production and trade in ethanol throughout our hemisphere.

Since that time, I have partnered with former Brazilian Agriculture Minister Roberto Rodrigues and Ambassador Luis Alberto Moreno, President of the Inter-American Development Bank to discuss a hemispheric cooperative arrangement to promote increased production and consumption of ethanol. These discussions led to the formation of the Interamerican Ethanol Commission, which all three of us as Co-Chairs formally launched in Miami on December 18th, 2006.

The Commission's goals are to increase the production and consumption of ethanol throughout the Americas by serving as a platform to foster awareness of the benefits of renewable and alternative fuels to economies, and by contributing toward a framework for a rationalized and viable regional marketplace in ethanol. The Commission will advocate policies necessary to spur investment in environmentally sound renewable fuel production and infrastructure. This private sector initiative will parallel the important work being done by the U.S. Government and the governments throughout the region, mainly Brazil and will include a wide array of members representing industry, academia, research centers, as well as the public sector with the goal of working closely to achieve goals of mutual interest.

Attached, please find a copy of the Interamerican Ethanol Commission's Memorandum of Understanding signed on December 18th as well as an initial strategic planning document that will be finalized in early January during a Commission meeting in Brazil. As I carry this project into my private life, I look forward to your input and support for the activities of the Interamerican Ethanol Commission and welcome any questions or suggestions you might have.

Sincerely,

Jeb Bush

The Interamerican Commission

THE LAUNCH - MIAMI 12/18/06

Strategic Plan: October 2006 - October 2007

Operational Plan: October 2006 - July 2007

Document developed between October and December 2006 by the stakeholders of the Interamerican Ethanol Commission.

MISSION

Promote the usage of ethanol in the gasoline pools of the Western Hemisphere

OBJECTIVES

A. Recommend an energy policy that incorporates mandates for ethanol blended fuel throughout the region

B. Promote the integration of technical and scientific research efforts across the hemisphere related to the production and distribution of ethanol

C. Determine investment needs in both agriculture and infrastructure to enable a hemispheric wide ethanol blended fuel policy, and recommend incentives and financing mechanisms to attract private investment

D. Promote the amount of carbon credits that this project can generate and the economic and environmental implications of these credits, as well as how these credits can be used as incentives for private investment on ethanol projects

E. Encourage the development of environmentally conscious ethanol operations, which do not pose any harm to the Amazon River Basin or any other environmentally sensitive areas

F. Provide a forum for potential investors and governments to access information on all aspects of ethanol and its potential

G. Recommend a set of actions in order to create an international market for ethanol

STRATEGIC PLAN

BACKGROUND INFORMATION

Since the price of oil hit $70 a barrel on August 29, 2005 and prices of gas soared at the pump, people everywhere began to grasp the importance of diversifying our energy matrix. Moreover, most of the countries in the Americas and around the world depend on foreign oil that, in most cases, comes from unpredictable regions. Having this in mind, governments all over the world realized the urgent need to diversify their fuel supplies as a matter of national security.

Following this trend, in January 2006 during his State of the Union Address, President George W. Bush pointed out that "America is addicted to oil, which is often imported from unstable parts of the world".

The following months an interesting movement started to take place in Miami, Florida. Florida FTAA Inc., a Miami nonprofit public-private organization, submitted a paper to Governor Jeb Bush that discussed the benefits of ethanol for Florida and the entire hemisphere.

On April 12, 2006 Governor Bush submitted a letter and a detailed nine-page position paper drawn up by Florida FTAA to President Bush, recommending "a comprehensive ethanol strategy for the U.S. and our hemisphere", in which he also recommended an ambitious plan to expand domestic supply and promote ethanol importation from our neighbors in order to pump 15 billion gallons of ethanol into the marketplace by 2015, more than twice the federally mandated goal of 7 billion gallons set by U.S. Congress in the 2005 Energy Act. That would amount to about 10 percent of U.S. annual gasoline consumption.

Blending gasoline with ethanol, Governor Bush says, "could be the answer — at least partly — to alleviating Florida's dependency on imported oil".

ASSESSMENT STUDIES

- Determine the amount of ethanol currently being used in ethanol blended fuel under existent mandates across the hemisphere
- Determine the amount of ethanol that would be necessary to supply potential mandates of 10%[1] ethanol blended fuel across the hemisphere over a 20-year period[2]
- Determine the current production figures for sugarcane and ethanol in the hemisphere and the amount of ethanol currently being exported
- Determine the expansion capacity of sugarcane for the production of ethanol to satisfy the suggested consumption mandates and the potential availability of ethanol for exports from the countries in the hemisphere over a 20-year period[3]
- Determine the amount of carbon credits that this project can generate and the economic and environmental implications of these credits as well as how these credits can be used as incentives for private investment on ethanol projects
- Examine the economic, political and social impact in rural areas of expanded sugarcane production across the hemisphere

[1] The 10% blended fuel and 20-year period are arbitrary numbers that reflect the assumption that a mandate will be necessary. The precise percentage and time period will be determined by the results of a research team.
[2] Same as above.
[3] Same as above.

TASKS

Objective A

- Educate governments and legislatures throughout the hemisphere through a series of "road shows". Attracting policymakers, interest groups, and industries, these activities would serve to disseminate information, generate media coverage and promote public discussion of the benefits of ethanol

  - Road shows will consist of the following items:
    - Secure partnerships from local officials and interested groups
    - Unveil findings of commissioned studies
    - Promote the hemispheric potential for ethanol production for export
    - Promote policies related to ethanol usage that should be developed in order to meet the commission objectives
    - Availability of a "Team of Experts" on topics such as environmental sustainability of ethanol; potential impact of ethanol on the Amazon River Basin; technological potential for increased production capacity; ideas on how to create viable regional and global ethanol trading market (IDB)

Objective B

- Promote meetings and seminars among leading universities and research institutions that conduct technical and scientific research on ethanol production and feedstock

Objective C

- With the results of the assessments studies, the stakeholders should determine the investment needs in both agriculture and infrastructure to enable a hemispheric wide ethanol blended fuel policy and determine the most appropriate incentives and financing mechanisms to attract private investment

Objective D

- With the results of the assessments studies, the stake holders shall promote (particularly during the "road shows") the economic possibilities generated by carbon credits in this project and how these credits can be used as incentives for private investment on ethanol projects

Objective E

- With the results of the assessments studies, the stakeholders shall promote environmentally conscious and friendly ethanol operations

Objective F

- Locate partners in the region to facilitate meetings and seminars for investors, governments and experts on ethanol
- Provide meeting opportunities between interested groups during "road shows"

Objective G

- Benchmark existent commodity and energy multilateral organizations
- Develop a potential organization structural model and suggest a set of potential actions

Studies

- Investigate and compile existent studies and legislation on ethanol
  - Country by country analysis
  - Examine which ethanol laws exists, which are pending legislation and which policies are in place or being promoted

- Integrate existent studies and commissioned studies from throughout the hemisphere in the following areas:

  - Existing ethanol pools/mandates
    - Investigate the amount of ethanol currently being used in ethanol blended fuel under existent mandates across the hemisphere
    - Investigate the current production figures for sugarcane and ethanol in the hemisphere and the amount of ethanol currently being exported
  - Necessary ethanol pools/mandates to satisfy commission objectives
    - Investigate the amount of ethanol that would be necessary to supply potential mandates of 10% ethanol blended fuel across the hemisphere over a 20-year period[4]
  - Sugarcane
    - Investigate the expansion capacity of sugarcane for usage as ethanol to satisfy the established consumption mandates and the potential for ethanol exports in the hemisphere over a 20-year period
    - Examine the economic, political and social impact in rural areas of expanded sugarcane production in the hemisphere
  - Investment
    - Investigate investment needs in both agriculture and infrastructure to enable a hemispheric wide ethanol blended fuel policy
    - Examine potential incentives and financing mechanisms to attract private investment (IDB)

[4] The 10% blended fuel and 20-year period are arbitrary numbers that reflect the assumption that a mandate will be necessary. The precise percentage and time period will be determined by the results of a research team.

- Infrastructure
  - Investigate what improvements in infrastructure should be made in potential partner countries in order to have capacity to meet commission objectives
    - ports
    - processing
    - logistics
- Carbon Credits
  - Investigate the amount of carbon credits that this project can generate and the economic and environmental implications of these credits
  - Examine how carbon credits can be used as incentives for private investment (IDB)

- Unveiling event in Washington D.C.
  - Unveil the results of the studies
  - Promote ethanol policies
  - Availability of a "Team of Experts" on ethanol related issues

Budget

- Request support from U.S. Agency for International Development (USAID) and the Millennium Challenge Corporation on the developmental benefits associated with expanded ethanol production in the hemisphere

- Request in-kind support and grants from the IDB for needed studies that have not already been carried out domestically and/or in potential partner countries

The Interamerican Commission

STAKEHOLDERS

- Empresa Brasileira de Pesquisa Agrícola (EMBRAPA)
- Federation of Industries of the State of São Paulo (FIESP)
- Florida FTAA Inc.
- Pólo Nacional de Biocombustíveis / São Paulo University (USP)
- UNICA

COMMITMENTS

- One full time person from each of the Co-Chair countries representing the private sector (e.g. Federations and Industry Groups)
- One full time person from each of the Co-Chair countries representing the scientific community (e.g. University)
- Sufficient commitment of resources (such as financial, in-kind, labor, etc.) to fulfill commission objectives

OPERATIONAL PLAN

Objective A: (Responsible: name)

Task	Responsible	Deadline

TIMETABLE OF ACTIVITIES/TASKS

Description of Activities/Tasks	2006			2007						
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Mai	Jun	Jul
Development of Strategic Plan, Operational Plan and MOU	✔	✔								
Budget and Fundraising		✔	✔							
Signing of MOU Event			✔							
Assessment Studies				✔	✔	✔				
Unveiling event in Washington D.C.							✔			
First Road Show: Central America (Costa Rica, Panama, others?)							✔			
Second Road Show: Andean Region (Colombia, Peru, others?)								✔		
Third Road Show: Caribbean (DR, Haiti, Jamaica, others?)									✔	
Assessment of Progress Meeting in Brazil										✔